

**As Reported by the House State and Local Government
Committee**

**130th General Assembly
Regular Session
2013-2014**

Am. H. B. No. 198

Representatives Butler, Burkley

**Cosponsors: Representatives Adams, J., Boose, Brenner, Ruhl, Perales,
Henne**

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A B I L L

To amend sections 5709.40, 5709.73, 5709.78, and 1
5709.911 of the Revised Code to establish a 2
procedure by which political subdivisions 3
proposing a tax increment financing (TIF) 4
incentive district are required to provide notice 5
to the record owner of each parcel within the 6
proposed incentive district before adopting the 7
TIF resolution, and to permit such owners to 8
exclude their parcels from the incentive district 9
by submitting a written response. 10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5709.40, 5709.73, 5709.78, and 11
5709.911 of the Revised Code be amended to read as follows: 12

Sec. 5709.40. (A) As used in this section: 13

(1) "Blighted area" and "impacted city" have the same 14
meanings as in section 1728.01 of the Revised Code. 15

(2) "Business day" means a day of the week excluding 16

Saturday, Sunday, and a legal holiday as defined under section 17
1.14 of the Revised Code. 18

(3) "Housing renovation" means a project carried out for 19
residential purposes. 20

(4) "Improvement" means the increase in the assessed value of 21
any real property that would first appear on the tax list and 22
duplicate of real and public utility property after the effective 23
date of an ordinance adopted under this section were it not for 24
the exemption granted by that ordinance. 25

(5) "Incentive district" means an area of not more than three 26
hundred acres in size that is a square, or that is a rectangle 27
having two longer sides that are not more than twice the length of 28
the two shorter sides, and that is enclosed by a continuous 29
boundary in which a project is being, or will be, undertaken and 30
having one or more of the following distress characteristics: 31

(a) At least fifty-one per cent of the residents of the 32
district have incomes of less than eighty per cent of the median 33
income of residents of the political subdivision in which the 34
district is located, as determined in the same manner specified 35
under section 119(b) of the "Housing and Community Development Act 36
of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended; 37

(b) The average rate of unemployment in the district during 38
the most recent twelve-month period for which data are available 39
is equal to at least one hundred fifty per cent of the average 40
rate of unemployment for this state for the same period. 41

(c) At least twenty per cent of the people residing in the 42
district live at or below the poverty level as defined in the 43
federal Housing and Community Development Act of 1974, 42 U.S.C. 44
5301, as amended, and regulations adopted pursuant to that act. 45

(d) The district is a blighted area. 46

(e) The district is in a situational distress area as 47
designated by the director of development under division (F) of 48
section 122.23 of the Revised Code. 49

(f) As certified by the engineer for the political 50
subdivision, the public infrastructure serving the district is 51
inadequate to meet the development needs of the district as 52
evidenced by a written economic development plan or urban renewal 53
plan for the district that has been adopted by the legislative 54
authority of the subdivision. 55

(g) The district is comprised entirely of unimproved land 56
that is located in a distressed area as defined in section 122.23 57
of the Revised Code. 58

(6) "Project" means development activities undertaken on one 59
or more parcels, including, but not limited to, construction, 60
expansion, and alteration of buildings or structures, demolition, 61
remediation, and site development, and any building or structure 62
that results from those activities. 63

(7) "Public infrastructure improvement" includes, but is not 64
limited to, public roads and highways; water and sewer lines; 65
environmental remediation; land acquisition, including acquisition 66
in aid of industry, commerce, distribution, or research; 67
demolition, including demolition on private property when 68
determined to be necessary for economic development purposes; 69
stormwater and flood remediation projects, including such projects 70
on private property when determined to be necessary for public 71
health, safety, and welfare; the provision of gas, electric, and 72
communications service facilities; and the enhancement of public 73
waterways through improvements that allow for greater public 74
access. 75

(B) The legislative authority of a municipal corporation, by 76
ordinance, may declare improvements to certain parcels of real 77

property located in the municipal corporation to be a public 78
purpose. Improvements with respect to a parcel that is used or to 79
be used for residential purposes may be declared a public purpose 80
under this division only if the parcel is located in a blighted 81
area of an impacted city. For this purpose, "parcel that is used 82
or to be used for residential purposes" means a parcel that, as 83
improved, is used or to be used for purposes that would cause the 84
tax commissioner to classify the parcel as residential property in 85
accordance with rules adopted by the commissioner under section 86
5713.041 of the Revised Code. Except with the approval under 87
division (D) of this section of the board of education of each 88
city, local, or exempted village school district within which the 89
improvements are located, not more than seventy-five per cent of 90
an improvement thus declared to be a public purpose may be 91
exempted from real property taxation for a period of not more than 92
ten years. The ordinance shall specify the percentage of the 93
improvement to be exempted from taxation and the life of the 94
exemption. 95

An ordinance adopted or amended under this division shall 96
designate the specific public infrastructure improvements made, to 97
be made, or in the process of being made by the municipal 98
corporation that directly benefit, or that once made will directly 99
benefit, the parcels for which improvements are declared to be a 100
public purpose. The service payments provided for in section 101
5709.42 of the Revised Code shall be used to finance the public 102
infrastructure improvements designated in the ordinance, for the 103
purpose described in division (D)(1) of this section or as 104
provided in section 5709.43 of the Revised Code. 105

(C)(1) The legislative authority of a municipal corporation 106
may adopt an ordinance creating an incentive district and 107
declaring improvements to all of the parcels within the district 108
to be a public purpose and, except as provided in division 109

~~(F)~~(C)(2) of this section, exempt from taxation as provided in 110
this section, but no legislative authority of a municipal 111
corporation that has a population that exceeds twenty-five 112
thousand, as shown by the most recent federal decennial census, 113
shall adopt an ordinance that creates an incentive district if the 114
sum of the taxable value of real property in the proposed district 115
for the preceding tax year and the taxable value of all real 116
property in the municipal corporation that would have been taxable 117
in the preceding year were it not for the fact that the property 118
was in an existing incentive district and therefore exempt from 119
taxation exceeds twenty-five per cent of the taxable value of real 120
property in the municipal corporation for the preceding tax year. 121
The ordinance shall delineate the boundary of the proposed 122
district and specifically identify each parcel within the 123
district. A proposed district may not include any parcel that is 124
or has been exempted from taxation under division (B) of this 125
section or that is or has been within another district created 126
under this division. An ordinance may create more than one such 127
district, and more than one ordinance may be adopted under 128
division (C)(1) of this section. 129

(2)(a) Not later than thirty days prior to adopting an 130
ordinance under division (C)(1) of this section, if the municipal 131
corporation intends to apply for exemptions from taxation under 132
section 5709.911 of the Revised Code on behalf of owners of real 133
property located within the proposed incentive district, the 134
legislative authority of a municipal corporation shall conduct a 135
public hearing on the proposed ordinance. Not later than thirty 136
days prior to the public hearing, the legislative authority shall 137
give notice of the public hearing and the proposed ordinance by 138
first class mail to every real property owner whose property is 139
located within the boundaries of the proposed incentive district 140
that is the subject of the proposed ordinance. The notice shall 141
inform the property owner of the owner's right to exclude the 142

owner's property from the incentive district if the owner's entire 143
parcel of property will not be located within the boundaries of 144
the district, by submitting a written response in accordance with 145
division (C)(2)(b) of this section. The notice also shall include 146
information detailing the required contents of the response, the 147
address to which the response may be mailed, and the deadline for 148
submitting the response. 149

(b) Any owner of real property located within the boundaries 150
of an incentive district proposed under division (C)(1) of this 151
section may exclude the property from the proposed incentive 152
district by submitting a written response to the legislative 153
authority of the municipal corporation not later than forty-five 154
days after the postmark date on the notice required under division 155
(C)(2)(a) of this section. The response shall be sent by first 156
class mail or delivered in person at a public hearing held by the 157
legislative authority under division (C)(2)(a) of this section. 158
The response shall conform to any content requirements that may be 159
established by the municipal corporation and included in the 160
notice provided under division (C)(2)(a) of this section. In the 161
response, property owners may identify a parcel by street address, 162
by the manner in which it is identified in the ordinance, or by 163
other means allowing the identity of the parcel to be ascertained. 164

(c) Before adopting an ordinance under division (C)(1) of 165
this section, the legislative authority of a municipal corporation 166
shall amend the ordinance to exclude any parcel for which a 167
written response has been submitted under division (C)(2)(b) of 168
this section. A municipal corporation shall not apply for 169
exemptions from taxation under section 5709.911 of the Revised 170
Code for any parcel of property for which a written response has 171
been submitted under division (C)(2)(b) of this section, and 172
service payments may not be required from the owner of the parcel. 173
Improvements to a parcel excluded from an incentive district under 174

this division may be exempted from taxation under division (B) of 175
this section pursuant to an ordinance adopted under that division 176
or under any other section of the Revised Code under which the 177
parcel qualifies. 178

(3)(a) An ordinance adopted under division (C)(1) of this 179
section shall specify the life of the incentive district and the 180
percentage of the improvements to be exempted, shall designate the 181
public infrastructure improvements made, to be made, or in the 182
process of being made, that benefit or serve, or, once made, will 183
benefit or serve all of the parcels in the district. The ordinance 184
also shall identify one or more specific projects being, or to be, 185
undertaken in the district that place additional demand on the 186
public infrastructure improvements designated in the ordinance. 187
The project identified may, but need not be, the project under 188
division (C)(3)(b) of this section that places real property in 189
use for commercial or industrial purposes. Except as otherwise 190
permitted under that division, the service payments provided for 191
in section 5709.42 of the Revised Code shall be used to finance 192
the designated public infrastructure improvements, for the purpose 193
described in division (D)(1) ~~or~~, (E), or (F) of this section, or 194
as provided in section 5709.43 of the Revised Code. 195

An ordinance adopted under division (C)(1) of this section on 196
or after March 30, 2006, shall not designate police or fire 197
equipment as public infrastructure improvements, and no service 198
payment provided for in section 5709.42 of the Revised Code and 199
received by the municipal corporation under the ordinance shall be 200
used for police or fire equipment. 201

(b) An ordinance adopted under division (C)(1) of this 202
section may authorize the use of service payments provided for in 203
section 5709.42 of the Revised Code for the purpose of housing 204
renovations within the incentive district, provided that the 205
ordinance also designates public infrastructure improvements that 206

benefit or serve the district, and that a project within the 207
district places real property in use for commercial or industrial 208
purposes. Service payments may be used to finance or support 209
loans, deferred loans, and grants to persons for the purpose of 210
housing renovations within the district. The ordinance shall 211
designate the parcels within the district that are eligible for 212
housing renovation. The ordinance shall state separately the 213
amounts or the percentages of the expected aggregate service 214
payments that are designated for each public infrastructure 215
improvement and for the general purpose of housing renovations. 216

(4) Except with the approval of the board of education of 217
each city, local, or exempted village school district within the 218
territory of which the incentive district is or will be located, 219
and subject to division (E) of this section, the life of an 220
incentive district shall not exceed ten years, and the percentage 221
of improvements to be exempted shall not exceed seventy-five per 222
cent. With approval of the board of education, the life of a 223
district may be not more than thirty years, and the percentage of 224
improvements to be exempted may be not more than one hundred per 225
cent. The approval of a board of education shall be obtained in 226
the manner provided in division (D) of this section. 227

(D)(1) If the ordinance declaring improvements to a parcel to 228
be a public purpose or creating an incentive district specifies 229
that payments in lieu of taxes provided for in section 5709.42 of 230
the Revised Code shall be paid to the city, local, or exempted 231
village, and joint vocational school district in which the parcel 232
or incentive district is located in the amount of the taxes that 233
would have been payable to the school district if the improvements 234
had not been exempted from taxation, the percentage of the 235
improvement that may be exempted from taxation may exceed 236
seventy-five per cent, and the exemption may be granted for up to 237
thirty years, without the approval of the board of education as 238

otherwise required under division (D)(2) of this section. 239

(2) Improvements with respect to a parcel may be exempted 240
from taxation under division (B) of this section, and improvements 241
to parcels within an incentive district may be exempted from 242
taxation under division (C) of this section, for up to ten years 243
or, with the approval under this paragraph of the board of 244
education of the city, local, or exempted village school district 245
within which the parcel or district is located, for up to thirty 246
years. The percentage of the improvement exempted from taxation 247
may, with such approval, exceed seventy-five per cent, but shall 248
not exceed one hundred per cent. Not later than forty-five 249
business days prior to adopting an ordinance under this section 250
declaring improvements to be a public purpose that is subject to 251
approval by a board of education under this division, the 252
legislative authority shall deliver to the board of education a 253
notice stating its intent to adopt an ordinance making that 254
declaration. The notice regarding improvements with respect to a 255
parcel under division (B) of this section shall identify the 256
parcels for which improvements are to be exempted from taxation, 257
provide an estimate of the true value in money of the 258
improvements, specify the period for which the improvements would 259
be exempted from taxation and the percentage of the improvement 260
that would be exempted, and indicate the date on which the 261
legislative authority intends to adopt the ordinance. The notice 262
regarding improvements to parcels within an incentive district 263
under division (C) of this section shall delineate the boundaries 264
of the district, specifically identify each parcel within the 265
district, identify each anticipated improvement in the district, 266
provide an estimate of the true value in money of each such 267
improvement, specify the life of the district and the percentage 268
of improvements that would be exempted, and indicate the date on 269
which the legislative authority intends to adopt the ordinance. 270
The board of education, by resolution adopted by a majority of the 271

board, may approve the exemption for the period or for the 272
exemption percentage specified in the notice; may disapprove the 273
exemption for the number of years in excess of ten, may disapprove 274
the exemption for the percentage of the improvement to be exempted 275
in excess of seventy-five per cent, or both; or may approve the 276
exemption on the condition that the legislative authority and the 277
board negotiate an agreement providing for compensation to the 278
school district equal in value to a percentage of the amount of 279
taxes exempted in the eleventh and subsequent years of the 280
exemption period or, in the case of exemption percentages in 281
excess of seventy-five per cent, compensation equal in value to a 282
percentage of the taxes that would be payable on the portion of 283
the improvement in excess of seventy-five per cent were that 284
portion to be subject to taxation, or other mutually agreeable 285
compensation. If an agreement is negotiated between the 286
legislative authority and the board to compensate the school 287
district for all or part of the taxes exempted, including 288
agreements for payments in lieu of taxes under section 5709.42 of 289
the Revised Code, the legislative authority shall compensate the 290
joint vocational school district within which the parcel or 291
district is located at the same rate and under the same terms 292
received by the city, local, or exempted village school district. 293

(3) The board of education shall certify its resolution to 294
the legislative authority not later than fourteen days prior to 295
the date the legislative authority intends to adopt the ordinance 296
as indicated in the notice. If the board of education and the 297
legislative authority negotiate a mutually acceptable compensation 298
agreement, the ordinance may declare the improvements a public 299
purpose for the number of years specified in the ordinance or, in 300
the case of exemption percentages in excess of seventy-five per 301
cent, for the exemption percentage specified in the ordinance. In 302
either case, if the board and the legislative authority fail to 303
negotiate a mutually acceptable compensation agreement, the 304

ordinance may declare the improvements a public purpose for not 305
more than ten years, and shall not exempt more than seventy-five 306
per cent of the improvements from taxation. If the board fails to 307
certify a resolution to the legislative authority within the time 308
prescribed by this division, the legislative authority thereupon 309
may adopt the ordinance and may declare the improvements a public 310
purpose for up to thirty years, or, in the case of exemption 311
percentages proposed in excess of seventy-five per cent, for the 312
exemption percentage specified in the ordinance. The legislative 313
authority may adopt the ordinance at any time after the board of 314
education certifies its resolution approving the exemption to the 315
legislative authority, or, if the board approves the exemption on 316
the condition that a mutually acceptable compensation agreement be 317
negotiated, at any time after the compensation agreement is agreed 318
to by the board and the legislative authority. 319

(4) If a board of education has adopted a resolution waiving 320
its right to approve exemptions from taxation under this section 321
and the resolution remains in effect, approval of exemptions by 322
the board is not required under division (D) of this section. If a 323
board of education has adopted a resolution allowing a legislative 324
authority to deliver the notice required under division (D) of 325
this section fewer than forty-five business days prior to the 326
legislative authority's adoption of the ordinance, the legislative 327
authority shall deliver the notice to the board not later than the 328
number of days prior to such adoption as prescribed by the board 329
in its resolution. If a board of education adopts a resolution 330
waiving its right to approve agreements or shortening the 331
notification period, the board shall certify a copy of the 332
resolution to the legislative authority. If the board of education 333
rescinds such a resolution, it shall certify notice of the 334
rescission to the legislative authority. 335

(5) If the legislative authority is not required by division 336

(D) of this section to notify the board of education of the 337
legislative authority's intent to declare improvements to be a 338
public purpose, the legislative authority shall comply with the 339
notice requirements imposed under section 5709.83 of the Revised 340
Code, unless the board has adopted a resolution under that section 341
waiving its right to receive such a notice. 342

(E)(1) If a proposed ordinance under division (C)(1) of this 343
section exempts improvements with respect to a parcel within an 344
incentive district for more than ten years, or the percentage of 345
the improvement exempted from taxation exceeds seventy-five per 346
cent, not later than forty-five business days prior to adopting 347
the ordinance the legislative authority of the municipal 348
corporation shall deliver to the board of county commissioners of 349
the county within which the incentive district will be located a 350
notice that states its intent to adopt an ordinance creating an 351
incentive district. The notice shall include a copy of the 352
proposed ordinance, identify the parcels for which improvements 353
are to be exempted from taxation, provide an estimate of the true 354
value in money of the improvements, specify the period of time for 355
which the improvements would be exempted from taxation, specify 356
the percentage of the improvements that would be exempted from 357
taxation, and indicate the date on which the legislative authority 358
intends to adopt the ordinance. 359

(2) The board of county commissioners, by resolution adopted 360
by a majority of the board, may object to the exemption for the 361
number of years in excess of ten, may object to the exemption for 362
the percentage of the improvement to be exempted in excess of 363
seventy-five per cent, or both. If the board of county 364
commissioners objects, the board may negotiate a mutually 365
acceptable compensation agreement with the legislative authority. 366
In no case shall the compensation provided to the board exceed the 367
property taxes forgone due to the exemption. If the board of 368

county commissioners objects, and the board and legislative 369
authority fail to negotiate a mutually acceptable compensation 370
agreement, the ordinance adopted under division (C)(1) of this 371
section shall provide to the board compensation in the eleventh 372
and subsequent years of the exemption period equal in value to not 373
more than fifty per cent of the taxes that would be payable to the 374
county or, if the board's objection includes an objection to an 375
exemption percentage in excess of seventy-five per cent, 376
compensation equal in value to not more than fifty per cent of the 377
taxes that would be payable to the county, on the portion of the 378
improvement in excess of seventy-five per cent, were that portion 379
to be subject to taxation. The board of county commissioners shall 380
certify its resolution to the legislative authority not later than 381
thirty days after receipt of the notice. 382

(3) If the board of county commissioners does not object or 383
fails to certify its resolution objecting to an exemption within 384
thirty days after receipt of the notice, the legislative authority 385
may adopt the ordinance, and no compensation shall be provided to 386
the board of county commissioners. If the board timely certifies 387
its resolution objecting to the ordinance, the legislative 388
authority may adopt the ordinance at any time after a mutually 389
acceptable compensation agreement is agreed to by the board and 390
the legislative authority, or, if no compensation agreement is 391
negotiated, at any time after the legislative authority agrees in 392
the proposed ordinance to provide compensation to the board of 393
fifty per cent of the taxes that would be payable to the county in 394
the eleventh and subsequent years of the exemption period or on 395
the portion of the improvement in excess of seventy-five per cent, 396
were that portion to be subject to taxation. 397

(F) Service payments in lieu of taxes that are attributable 398
to any amount by which the effective tax rate of either a renewal 399
levy with an increase or a replacement levy exceeds the effective 400

tax rate of the levy renewed or replaced, or that are attributable 401
to an additional levy, for a levy authorized by the voters for any 402
of the following purposes on or after January 1, 2006, and which 403
are provided pursuant to an ordinance creating an incentive 404
district under division (C)(1) of this section that is adopted on 405
or after January 1, 2006, shall be distributed to the appropriate 406
taxing authority as required under division (C) of section 5709.42 407
of the Revised Code in an amount equal to the amount of taxes from 408
that additional levy or from the increase in the effective tax 409
rate of such renewal or replacement levy that would have been 410
payable to that taxing authority from the following levies were it 411
not for the exemption authorized under division (C) of this 412
section: 413

(1) A tax levied under division (L) of section 5705.19 or 414
section 5705.191 of the Revised Code for community mental 415
retardation and developmental disabilities programs and services 416
pursuant to Chapter 5126. of the Revised Code; 417

(2) A tax levied under division (Y) of section 5705.19 of the 418
Revised Code for providing or maintaining senior citizens services 419
or facilities; 420

(3) A tax levied under section 5705.22 of the Revised Code 421
for county hospitals; 422

(4) A tax levied by a joint-county district or by a county 423
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 424
for alcohol, drug addiction, and mental health services or 425
facilities; 426

(5) A tax levied under section 5705.23 of the Revised Code 427
for library purposes; 428

(6) A tax levied under section 5705.24 of the Revised Code 429
for the support of children services and the placement and care of 430
children; 431

(7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;

(8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;

(9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code;

(10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;

(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;

(12) A tax levied under section 3709.29 of the Revised Code for a general health district program.

(G) An exemption from taxation granted under this section commences with the tax year specified in the ordinance so long as the year specified in the ordinance commences after the effective date of the ordinance. If the ordinance specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the tax list and duplicate of real and public utility property and that commences after the effective date of the ordinance. Except as otherwise provided in this division, the exemption ends on the date specified in the ordinance as the date the improvement ceases to be a public purpose or the incentive district expires, or ends on the date on which the public infrastructure improvements and

housing renovations are paid in full from the municipal public 463
improvement tax increment equivalent fund established under 464
division (A) of section 5709.43 of the Revised Code, whichever 465
occurs first. The exemption of an improvement with respect to a 466
parcel or within an incentive district may end on a later date, as 467
specified in the ordinance, if the legislative authority and the 468
board of education of the city, local, or exempted village school 469
district within which the parcel or district is located have 470
entered into a compensation agreement under section 5709.82 of the 471
Revised Code with respect to the improvement, and the board of 472
education has approved the term of the exemption under division 473
(D)(2) of this section, but in no case shall the improvement be 474
exempted from taxation for more than thirty years. Exemptions 475
shall be claimed and allowed in the same manner as in the case of 476
other real property exemptions. If an exemption status changes 477
during a year, the procedure for the apportionment of the taxes 478
for that year is the same as in the case of other changes in tax 479
exemption status during the year. 480

(H) Additional municipal financing of public infrastructure 481
improvements and housing renovations may be provided by any 482
methods that the municipal corporation may otherwise use for 483
financing such improvements or renovations. If the municipal 484
corporation issues bonds or notes to finance the public 485
infrastructure improvements and housing renovations and pledges 486
money from the municipal public improvement tax increment 487
equivalent fund to pay the interest on and principal of the bonds 488
or notes, the bonds or notes are not subject to Chapter 133. of 489
the Revised Code. 490

(I) The municipal corporation, not later than fifteen days 491
after the adoption of an ordinance under this section, shall 492
submit to the director of development services a copy of the 493
ordinance. On or before the thirty-first day of March of each 494

year, the municipal corporation shall submit a status report to 495
the director of development services. The report shall indicate, 496
in the manner prescribed by the director, the progress of the 497
project during each year that an exemption remains in effect, 498
including a summary of the receipts from service payments in lieu 499
of taxes; expenditures of money from the funds created under 500
section 5709.43 of the Revised Code; a description of the public 501
infrastructure improvements and housing renovations financed with 502
such expenditures; and a quantitative summary of changes in 503
employment and private investment resulting from each project. 504

(J) Nothing in this section shall be construed to prohibit a 505
legislative authority from declaring to be a public purpose 506
improvements with respect to more than one parcel. 507

(K) If a parcel is located in a new community district in 508
which the new community authority imposes a community development 509
charge on the basis of rentals received from leases of real 510
property as described in division (L)(2) of section 349.01 of the 511
Revised Code, the parcel may not be exempted from taxation under 512
this section. 513

Sec. 5709.73. (A) As used in this section and section 5709.74 514
of the Revised Code: 515

(1) "Business day" means a day of the week excluding 516
Saturday, Sunday, and a legal holiday as defined in section 1.14 517
of the Revised Code. 518

(2) "Further improvements" or "improvements" means the 519
increase in the assessed value of real property that would first 520
appear on the tax list and duplicate of real and public utility 521
property after the effective date of a resolution adopted under 522
this section were it not for the exemption granted by that 523
resolution. For purposes of division (B) of this section, 524
"improvements" do not include any property used or to be used for 525

residential purposes. For this purpose, "property that is used or
to be used for residential purposes" means property that, as
improved, is used or to be used for purposes that would cause the
tax commissioner to classify the property as residential property
in accordance with rules adopted by the commissioner under section
5713.041 of the Revised Code.

(3) "Housing renovation" means a project carried out for
residential purposes.

(4) "Incentive district" has the same meaning as in section
5709.40 of the Revised Code, except that a blighted area is in the
unincorporated area of a township.

(5) "Project" and "public infrastructure improvement" have
the same meanings as in section 5709.40 of the Revised Code.

(B) A board of township trustees may, by unanimous vote,
adopt a resolution that declares to be a public purpose any public
infrastructure improvements made that are necessary for the
development of certain parcels of land located in the
unincorporated area of the township. Except with the approval
under division (D) of this section of the board of education of
each city, local, or exempted village school district within which
the improvements are located, the resolution may exempt from real
property taxation not more than seventy-five per cent of further
improvements to a parcel of land that directly benefits from the
public infrastructure improvements, for a period of not more than
ten years. The resolution shall specify the percentage of the
further improvements to be exempted and the life of the exemption.

(C)(1) A board of township trustees may adopt, by unanimous
vote, a resolution creating an incentive district and declaring
improvements to all of the parcels within the district to be a
public purpose and, except as provided in division ~~(F)~~(C)(2) of
this section, exempt from taxation as provided in this section,

but no board of township trustees of a township that has a 557
population that exceeds twenty-five thousand, as shown by the most 558
recent federal decennial census, shall adopt a resolution that 559
creates an incentive district if the sum of the taxable value of 560
real property in the proposed district for the preceding tax year 561
and the taxable value of all real property in the township that 562
would have been taxable in the preceding year were it not for the 563
fact that the property was in an existing incentive district and 564
therefore exempt from taxation exceeds twenty-five per cent of the 565
taxable value of real property in the township for the preceding 566
tax year. The district shall be located within the unincorporated 567
area of the township and shall not include any territory that is 568
included within a district created under division (B) of section 569
5709.78 of the Revised Code. The resolution shall delineate the 570
boundary of the proposed district and specifically identify each 571
parcel within the district. A proposed district may not include 572
any parcel that is or has been exempted from taxation under 573
division (B) of this section or that is or has been within another 574
district created under this division. A resolution may create more 575
than one such district, and more than one resolution may be 576
adopted under division (C)(1) of this section. 577

(2)(a) Not later than thirty days prior to adopting a 578
resolution under division (C)(1) of this section, if the township 579
intends to apply for exemptions from taxation under section 580
5709.911 of the Revised Code on behalf of owners of real property 581
located within the proposed incentive district, the board shall 582
conduct a public hearing on the proposed resolution. Not later 583
than thirty days prior to the public hearing, the board shall give 584
notice of the public hearing and the proposed resolution by first 585
class mail to every real property owner whose property is located 586
within the boundaries of the proposed incentive district that is 587
the subject of the proposed resolution. The notice shall inform 588
the property owner of the owner's right to exclude the owner's 589

property from the incentive district if the owner's entire parcel 590
of property will not be located within the boundaries of the 591
district, by submitting a written response in accordance with 592
division (C)(2)(b) of this section. The notice also shall include 593
information detailing the required contents of the response, the 594
address to which the response may be mailed, and the deadline for 595
submitting the response. 596

(b) Any owner of real property located within the boundaries 597
of an incentive district proposed under division (C)(1) of this 598
section may exclude the property from the proposed incentive 599
district by submitting a written response to the board not later 600
than forty-five days after the postmark date on the notice 601
required under division (C)(2)(a) of this section. The response 602
shall be sent by first class mail or delivered in person at a 603
public hearing held by the board under division (C)(2)(a) of this 604
section. The response shall conform to any content requirements 605
that may be established by the board and included in the notice 606
provided under division (C)(2)(a) of this section. In the 607
response, property owners may identify a parcel by street address, 608
by the manner in which it is identified in the resolution, or by 609
other means allowing the identity of the parcel to be ascertained. 610

(c) Before adopting a resolution under division (C)(1) of 611
this section, the board shall amend the resolution to exclude any 612
parcel for which a written response has been submitted under 613
division (C)(2)(b) of this section. A township shall not apply for 614
exemptions from taxation under section 5709.911 of the Revised 615
Code for any property for which a written response has been 616
submitted under division (C)(2)(b) of this section, and service 617
payments may not be required from the owner of the parcel. 618
Improvements to a parcel excluded from an incentive district under 619
this division may be exempted from taxation under division (B) of 620
this section pursuant to an ordinance adopted under that division 621

or under any other section of the Revised Code under which the 622
parcel qualifies. 623

(3)(a) A resolution adopted under division (C)(1) of this 624
section shall specify the life of the incentive district and the 625
percentage of the improvements to be exempted, shall designate the 626
public infrastructure improvements made, to be made, or in the 627
process of being made, that benefit or serve, or, once made, will 628
benefit or serve all of the parcels in the district. The 629
resolution also shall identify one or more specific projects 630
being, or to be, undertaken in the district that place additional 631
demand on the public infrastructure improvements designated in the 632
resolution. The project identified may, but need not be, the 633
project under division (C)(3)(b) of this section that places real 634
property in use for commercial or industrial purposes. 635

A resolution adopted under division (C)(1) of this section on 636
or after March 30, 2006, shall not designate police or fire 637
equipment as public infrastructure improvements, and no service 638
payment provided for in section 5709.74 of the Revised Code and 639
received by the township under the resolution shall be used for 640
police or fire equipment. 641

(b) A resolution adopted under division (C)(1) of this 642
section may authorize the use of service payments provided for in 643
section 5709.74 of the Revised Code for the purpose of housing 644
renovations within the incentive district, provided that the 645
resolution also designates public infrastructure improvements that 646
benefit or serve the district, and that a project within the 647
district places real property in use for commercial or industrial 648
purposes. Service payments may be used to finance or support 649
loans, deferred loans, and grants to persons for the purpose of 650
housing renovations within the district. The resolution shall 651
designate the parcels within the district that are eligible for 652
housing renovations. The resolution shall state separately the 653

amount or the percentages of the expected aggregate service 654
payments that are designated for each public infrastructure 655
improvement and for the purpose of housing renovations. 656

(4) Except with the approval of the board of education of 657
each city, local, or exempted village school district within the 658
territory of which the incentive district is or will be located, 659
and subject to division (E) of this section, the life of an 660
incentive district shall not exceed ten years, and the percentage 661
of improvements to be exempted shall not exceed seventy-five per 662
cent. With approval of the board of education, the life of a 663
district may be not more than thirty years, and the percentage of 664
improvements to be exempted may be not more than one hundred per 665
cent. The approval of a board of education shall be obtained in 666
the manner provided in division (D) of this section. 667

(D) Improvements with respect to a parcel may be exempted 668
from taxation under division (B) of this section, and improvements 669
to parcels within an incentive district may be exempted from 670
taxation under division (C) of this section, for up to ten years 671
or, with the approval of the board of education of the city, 672
local, or exempted village school district within which the parcel 673
or district is located, for up to thirty years. The percentage of 674
the improvements exempted from taxation may, with such approval, 675
exceed seventy-five per cent, but shall not exceed one hundred per 676
cent. Not later than forty-five business days prior to adopting a 677
resolution under this section declaring improvements to be a 678
public purpose that is subject to approval by a board of education 679
under this division, the board of township trustees shall deliver 680
to the board of education a notice stating its intent to adopt a 681
resolution making that declaration. The notice regarding 682
improvements with respect to a parcel under division (B) of this 683
section shall identify the parcels for which improvements are to 684
be exempted from taxation, provide an estimate of the true value 685

in money of the improvements, specify the period for which the 686
improvements would be exempted from taxation and the percentage of 687
the improvements that would be exempted, and indicate the date on 688
which the board of township trustees intends to adopt the 689
resolution. The notice regarding improvements made under division 690
(C) of this section to parcels within an incentive district shall 691
delineate the boundaries of the district, specifically identify 692
each parcel within the district, identify each anticipated 693
improvement in the district, provide an estimate of the true value 694
in money of each such improvement, specify the life of the 695
district and the percentage of improvements that would be 696
exempted, and indicate the date on which the board of township 697
trustees intends to adopt the resolution. The board of education, 698
by resolution adopted by a majority of the board, may approve the 699
exemption for the period or for the exemption percentage specified 700
in the notice; may disapprove the exemption for the number of 701
years in excess of ten, may disapprove the exemption for the 702
percentage of the improvements to be exempted in excess of 703
seventy-five per cent, or both; or may approve the exemption on 704
the condition that the board of township trustees and the board of 705
education negotiate an agreement providing for compensation to the 706
school district equal in value to a percentage of the amount of 707
taxes exempted in the eleventh and subsequent years of the 708
exemption period or, in the case of exemption percentages in 709
excess of seventy-five per cent, compensation equal in value to a 710
percentage of the taxes that would be payable on the portion of 711
the improvements in excess of seventy-five per cent were that 712
portion to be subject to taxation, or other mutually agreeable 713
compensation. 714

The board of education shall certify its resolution to the 715
board of township trustees not later than fourteen days prior to 716
the date the board of township trustees intends to adopt the 717
resolution as indicated in the notice. If the board of education 718

and the board of township trustees negotiate a mutually acceptable 719
compensation agreement, the resolution may declare the 720
improvements a public purpose for the number of years specified in 721
the resolution or, in the case of exemption percentages in excess 722
of seventy-five per cent, for the exemption percentage specified 723
in the resolution. In either case, if the board of education and 724
the board of township trustees fail to negotiate a mutually 725
acceptable compensation agreement, the resolution may declare the 726
improvements a public purpose for not more than ten years, and 727
shall not exempt more than seventy-five per cent of the 728
improvements from taxation. If the board of education fails to 729
certify a resolution to the board of township trustees within the 730
time prescribed by this section, the board of township trustees 731
thereupon may adopt the resolution and may declare the 732
improvements a public purpose for up to thirty years or, in the 733
case of exemption percentages proposed in excess of seventy-five 734
per cent, for the exemption percentage specified in the 735
resolution. The board of township trustees may adopt the 736
resolution at any time after the board of education certifies its 737
resolution approving the exemption to the board of township 738
trustees, or, if the board of education approves the exemption on 739
the condition that a mutually acceptable compensation agreement be 740
negotiated, at any time after the compensation agreement is agreed 741
to by the board of education and the board of township trustees. 742
If a mutually acceptable compensation agreement is negotiated 743
between the board of township trustees and the board of education, 744
including agreements for payments in lieu of taxes under section 745
5709.74 of the Revised Code, the board of township trustees shall 746
compensate the joint vocational school district within which the 747
parcel or district is located at the same rate and under the same 748
terms received by the city, local, or exempted village school 749
district. 750

If a board of education has adopted a resolution waiving its 751

right to approve exemptions from taxation under this section and 752
the resolution remains in effect, approval of such exemptions by 753
the board of education is not required under division (D) of this 754
section. If a board of education has adopted a resolution allowing 755
a board of township trustees to deliver the notice required under 756
division (D) of this section fewer than forty-five business days 757
prior to adoption of the resolution by the board of township 758
trustees, the board of township trustees shall deliver the notice 759
to the board of education not later than the number of days prior 760
to the adoption as prescribed by the board of education in its 761
resolution. If a board of education adopts a resolution waiving 762
its right to approve exemptions or shortening the notification 763
period, the board of education shall certify a copy of the 764
resolution to the board of township trustees. If the board of 765
education rescinds the resolution, it shall certify notice of the 766
rescission to the board of township trustees. 767

If the board of township trustees is not required by division 768
(D) of this section to notify the board of education of the board 769
of township trustees' intent to declare improvements to be a 770
public purpose, the board of township trustees shall comply with 771
the notice requirements imposed under section 5709.83 of the 772
Revised Code before taking formal action to adopt the resolution 773
making that declaration, unless the board of education has adopted 774
a resolution under that section waiving its right to receive the 775
notice. 776

(E)(1) If a proposed resolution under division (C)(1) of this 777
section exempts improvements with respect to a parcel within an 778
incentive district for more than ten years, or the percentage of 779
the improvement exempted from taxation exceeds seventy-five per 780
cent, not later than forty-five business days prior to adopting 781
the resolution the board of township trustees shall deliver to the 782
board of county commissioners of the county within which the 783

incentive district is or will be located a notice that states its 784
intent to adopt a resolution creating an incentive district. The 785
notice shall include a copy of the proposed resolution, identify 786
the parcels for which improvements are to be exempted from 787
taxation, provide an estimate of the true value in money of the 788
improvements, specify the period of time for which the 789
improvements would be exempted from taxation, specify the 790
percentage of the improvements that would be exempted from 791
taxation, and indicate the date on which the board of township 792
trustees intends to adopt the resolution. 793

(2) The board of county commissioners, by resolution adopted 794
by a majority of the board, may object to the exemption for the 795
number of years in excess of ten, may object to the exemption for 796
the percentage of the improvement to be exempted in excess of 797
seventy-five per cent, or both. If the board of county 798
commissioners objects, the board may negotiate a mutually 799
acceptable compensation agreement with the board of township 800
trustees. In no case shall the compensation provided to the board 801
of county commissioners exceed the property taxes foregone due to 802
the exemption. If the board of county commissioners objects, and 803
the board of county commissioners and board of township trustees 804
fail to negotiate a mutually acceptable compensation agreement, 805
the resolution adopted under division (C)(1) of this section shall 806
provide to the board of county commissioners compensation in the 807
eleventh and subsequent years of the exemption period equal in 808
value to not more than fifty per cent of the taxes that would be 809
payable to the county or, if the board of county commissioner's 810
objection includes an objection to an exemption percentage in 811
excess of seventy-five per cent, compensation equal in value to 812
not more than fifty per cent of the taxes that would be payable to 813
the county, on the portion of the improvement in excess of 814
seventy-five per cent, were that portion to be subject to 815
taxation. The board of county commissioners shall certify its 816

resolution to the board of township trustees not later than thirty 817
days after receipt of the notice. 818

(3) If the board of county commissioners does not object or 819
fails to certify its resolution objecting to an exemption within 820
thirty days after receipt of the notice, the board of township 821
trustees may adopt its resolution, and no compensation shall be 822
provided to the board of county commissioners. If the board of 823
county commissioners timely certifies its resolution objecting to 824
the trustees' resolution, the board of township trustees may adopt 825
its resolution at any time after a mutually acceptable 826
compensation agreement is agreed to by the board of county 827
commissioners and the board of township trustees, or, if no 828
compensation agreement is negotiated, at any time after the board 829
of township trustees agrees in the proposed resolution to provide 830
compensation to the board of county commissioners of fifty per 831
cent of the taxes that would be payable to the county in the 832
eleventh and subsequent years of the exemption period or on the 833
portion of the improvement in excess of seventy-five per cent, 834
were that portion to be subject to taxation. 835

(F) Service payments in lieu of taxes that are attributable 836
to any amount by which the effective tax rate of either a renewal 837
levy with an increase or a replacement levy exceeds the effective 838
tax rate of the levy renewed or replaced, or that are attributable 839
to an additional levy, for a levy authorized by the voters for any 840
of the following purposes on or after January 1, 2006, and which 841
are provided pursuant to a resolution creating an incentive 842
district under division (C)(1) of this section that is adopted on 843
or after January 1, 2006, shall be distributed to the appropriate 844
taxing authority as required under division (C) of section 5709.74 845
of the Revised Code in an amount equal to the amount of taxes from 846
that additional levy or from the increase in the effective tax 847
rate of such renewal or replacement levy that would have been 848

payable to that taxing authority from the following levies were it 849
not for the exemption authorized under division (C) of this 850
section: 851

(1) A tax levied under division (L) of section 5705.19 or 852
section 5705.191 of the Revised Code for community mental 853
retardation and developmental disabilities programs and services 854
pursuant to Chapter 5126. of the Revised Code; 855

(2) A tax levied under division (Y) of section 5705.19 of the 856
Revised Code for providing or maintaining senior citizens services 857
or facilities; 858

(3) A tax levied under section 5705.22 of the Revised Code 859
for county hospitals; 860

(4) A tax levied by a joint-county district or by a county 861
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 862
for alcohol, drug addiction, and mental health services or 863
families; 864

(5) A tax levied under section 5705.23 of the Revised Code 865
for library purposes; 866

(6) A tax levied under section 5705.24 of the Revised Code 867
for the support of children services and the placement and care of 868
children; 869

(7) A tax levied under division (Z) of section 5705.19 of the 870
Revised Code for the provision and maintenance of zoological park 871
services and facilities under section 307.76 of the Revised Code; 872

(8) A tax levied under section 511.27 or division (H) of 873
section 5705.19 of the Revised Code for the support of township 874
park districts; 875

(9) A tax levied under division (A), (F), or (H) of section 876
5705.19 of the Revised Code for parks and recreational purposes of 877
a joint recreation district organized pursuant to division (B) of 878

section 755.14 of the Revised Code; 879

(10) A tax levied under section 1545.20 or 1545.21 of the 880
Revised Code for park district purposes; 881

(11) A tax levied under section 5705.191 of the Revised Code 882
for the purpose of making appropriations for public assistance; 883
human or social services; public relief; public welfare; public 884
health and hospitalization; and support of general hospitals; 885

(12) A tax levied under section 3709.29 of the Revised Code 886
for a general health district program. 887

(G) An exemption from taxation granted under this section 888
commences with the tax year specified in the resolution so long as 889
the year specified in the resolution commences after the effective 890
date of the resolution. If the resolution specifies a year 891
commencing before the effective date of the resolution or 892
specifies no year whatsoever, the exemption commences with the tax 893
year in which an exempted improvement first appears on the tax 894
list and duplicate of real and public utility property and that 895
commences after the effective date of the resolution. Except as 896
otherwise provided in this division, the exemption ends on the 897
date specified in the resolution as the date the improvement 898
ceases to be a public purpose or the incentive district expires, 899
or ends on the date on which the public infrastructure 900
improvements and housing renovations are paid in full from the 901
township public improvement tax increment equivalent fund 902
established under section 5709.75 of the Revised Code, whichever 903
occurs first. The exemption of an improvement with respect to a 904
parcel or within an incentive district may end on a later date, as 905
specified in the resolution, if the board of township trustees and 906
the board of education of the city, local, or exempted village 907
school district within which the parcel or district is located 908
have entered into a compensation agreement under section 5709.82 909
of the Revised Code with respect to the improvement and the board 910

of education has approved the term of the exemption under division 911
(D) of this section, but in no case shall the improvement be 912
exempted from taxation for more than thirty years. The board of 913
township trustees may, by majority vote, adopt a resolution 914
permitting the township to enter into such agreements as the board 915
finds necessary or appropriate to provide for the construction or 916
undertaking of public infrastructure improvements and housing 917
renovations. Any exemption shall be claimed and allowed in the 918
same or a similar manner as in the case of other real property 919
exemptions. If an exemption status changes during a tax year, the 920
procedure for the apportionment of the taxes for that year is the 921
same as in the case of other changes in tax exemption status 922
during the year. 923

(H) The board of township trustees may issue the notes of the 924
township to finance all costs pertaining to the construction or 925
undertaking of public infrastructure improvements and housing 926
renovations made pursuant to this section. The notes shall be 927
signed by the board and attested by the signature of the township 928
fiscal officer, shall bear interest not to exceed the rate 929
provided in section 9.95 of the Revised Code, and are not subject 930
to Chapter 133. of the Revised Code. The resolution authorizing 931
the issuance of the notes shall pledge the funds of the township 932
public improvement tax increment equivalent fund established 933
pursuant to section 5709.75 of the Revised Code to pay the 934
interest on and principal of the notes. The notes, which may 935
contain a clause permitting prepayment at the option of the board, 936
shall be offered for sale on the open market or given to the 937
vendor or contractor if no sale is made. 938

(I) The township, not later than fifteen days after the 939
adoption of a resolution under this section, shall submit to the 940
director of development services a copy of the resolution. On or 941
before the thirty-first day of March of each year, the township 942

shall submit a status report to the director of development 943
services. The report shall indicate, in the manner prescribed by 944
the director, the progress of the project during each year that 945
the exemption remains in effect, including a summary of the 946
receipts from service payments in lieu of taxes; expenditures of 947
money from the fund created under section 5709.75 of the Revised 948
Code; a description of the public infrastructure improvements and 949
housing renovations financed with the expenditures; and a 950
quantitative summary of changes in private investment resulting 951
from each project. 952

(J) Nothing in this section shall be construed to prohibit a 953
board of township trustees from declaring to be a public purpose 954
improvements with respect to more than one parcel. 955

If a parcel is located in a new community district in which 956
the new community authority imposes a community development charge 957
on the basis of rentals received from leases of real property as 958
described in division (L)(2) of section 349.01 of the Revised 959
Code, the parcel may not be exempted from taxation under this 960
section. 961

(K) A board of township trustees that adopted a resolution 962
under this section prior to July 21, 1994, may amend that 963
resolution to include any additional public infrastructure 964
improvement. A board of township trustees that seeks by the 965
amendment to utilize money from its township public improvement 966
tax increment equivalent fund for land acquisition in aid of 967
industry, commerce, distribution, or research, demolition on 968
private property, or stormwater and flood remediation projects may 969
do so provided that the board currently is a party to a 970
hold-harmless agreement with the board of education of the city, 971
local, or exempted village school district within the territory of 972
which are located the parcels that are subject to an exemption. 973
For the purposes of this division, a "hold-harmless agreement" 974

means an agreement under which the board of township trustees 975
agrees to compensate the school district for one hundred per cent 976
of the tax revenue that the school district would have received 977
from further improvements to parcels designated in the resolution 978
were it not for the exemption granted by the resolution. 979

Sec. 5709.78. (A) A board of county commissioners may, by 980
resolution, declare improvements to certain parcels of real 981
property located in the unincorporated territory of the county to 982
be a public purpose. Except with the approval under division (C) 983
of this section of the board of education of each city, local, or 984
exempted village school district within which the improvements are 985
located, not more than seventy-five per cent of an improvement 986
thus declared to be a public purpose may be exempted from real 987
property taxation, for a period of not more than ten years. The 988
resolution shall specify the percentage of the improvement to be 989
exempted and the life of the exemption. 990

A resolution adopted under this division shall designate the 991
specific public infrastructure improvements made, to be made, or 992
in the process of being made by the county that directly benefit, 993
or that once made will directly benefit, the parcels for which 994
improvements are declared to be a public purpose. The service 995
payments provided for in section 5709.79 of the Revised Code shall 996
be used to finance the public infrastructure improvements 997
designated in the resolution, or as provided in section 5709.80 of 998
the Revised Code. 999

(B)(1) A board of county commissioners may adopt a resolution 1000
creating an incentive district and declaring improvements to all 1001
of the parcels within the district to be a public purpose and, 1002
except as provided in division ~~(E)~~(B)(2) of this section, exempt 1003
from taxation as provided in this section, but no board of county 1004
commissioners of a county that has a population that exceeds 1005

twenty-five thousand, as shown by the most recent federal 1006
decennial census, shall adopt a resolution that creates an 1007
incentive district if the sum of the taxable value of real 1008
property in the proposed district for the preceding tax year and 1009
the taxable value of all real property in the county that would 1010
have been taxable in the preceding year were it not for the fact 1011
that the property was in an existing incentive district and 1012
therefore exempt from taxation exceeds twenty-five per cent of the 1013
taxable value of real property in the county for the preceding tax 1014
year. The district shall be located within the unincorporated 1015
territory of the county and shall not include any territory that 1016
is included within a district created under division (C) of 1017
section 5709.73 of the Revised Code. The resolution shall 1018
delineate the boundary of the proposed district and specifically 1019
identify each parcel within the district. A proposed district may 1020
not include any parcel that is or has been exempted from taxation 1021
under division (A) of this section or that is or has been within 1022
another district created under this division. A resolution may 1023
create more than one such district, and more than one resolution 1024
may be adopted under division (B)(1) of this section. 1025

(2)(a) Not later than thirty days prior to adopting a 1026
resolution under division (B)(1) of this section, if the county 1027
intends to apply for exemptions from taxation under section 1028
5709.911 of the Revised Code on behalf of owners of real property 1029
located within the proposed incentive district, the board of 1030
county commissioners shall conduct a public hearing on the 1031
proposed resolution. Not later than thirty days prior to the 1032
public hearing, the board shall give notice of the public hearing 1033
and the proposed resolution by first class mail to every real 1034
property owner whose property is located within the boundaries of 1035
the proposed incentive district that is the subject of the 1036
proposed resolution. The board also shall provide the notice by 1037
first class mail to the clerk of each township in which the 1038

proposed incentive district will be located. The notice shall 1039
inform property owners of the owner's right to exclude the owner's 1040
property from the incentive district if the owner's entire parcel 1041
of property will not be located within the boundaries of the 1042
district, by submitting a written response in accordance with 1043
division (B)(2)(b) of this section. The notice also shall include 1044
information detailing the required contents of the response, the 1045
address to which the response may be mailed, and the deadline for 1046
submitting the response. 1047

(b) Any owner of real property located within the boundaries 1048
of an incentive district proposed under division (B)(1) of this 1049
section may exclude the property from the proposed incentive 1050
district by submitting a written response to the board not later 1051
than forty-five days after the postmark date on the notice 1052
required under division (B)(2)(a) of this section. The response 1053
shall be sent by first class mail or delivered in person at a 1054
public hearing held by the board under division (B)(2)(a) of this 1055
section. The response shall conform to any content requirements 1056
that may be established by the board and included in the notice 1057
provided under division (B)(2)(a) of this section. In the 1058
response, property owners may identify a parcel by street address, 1059
by the manner in which it is identified in the resolution, or by 1060
other means allowing the identity of the parcel to be ascertained. 1061

(c) Before adopting a resolution under division (B)(1) of 1062
this section, the board shall amend the resolution to exclude any 1063
parcel for which a written response has been submitted under 1064
division (B)(2)(b) of this section. A county shall not apply for 1065
exemptions from taxation under section 5709.911 of the Revised 1066
Code for any property for which a written response has been 1067
submitted under division (B)(2)(b) of this section, and service 1068
payments may not be required from the owner of the parcel. 1069
Improvements to a parcel excluded from an incentive district under 1070

this division may be exempted from taxation under division (A) of 1071
this section pursuant to an ordinance adopted under that division 1072
or under any other section of the Revised Code under which the 1073
parcel qualifies. 1074

(3)(a) A resolution adopted under division (B)(1) of this 1075
section shall specify the life of the incentive district and the 1076
percentage of the improvements to be exempted, shall designate the 1077
public infrastructure improvements made, to be made, or in the 1078
process of being made, that benefit or serve, or, once made, will 1079
benefit or serve all of the parcels in the district. The 1080
resolution also shall identify one or more specific projects 1081
being, or to be, undertaken in the district that place additional 1082
demand on the public infrastructure improvements designated in the 1083
resolution. The project identified may, but need not be, the 1084
project under division (B)(3)(b) of this section that places real 1085
property in use for commercial or industrial purposes. 1086

A resolution adopted under division (B)(1) of this section on 1087
or after March 30, 2006, shall not designate police or fire 1088
equipment as public infrastructure improvements, and no service 1089
payment provided for in section 5709.79 of the Revised Code and 1090
received by the county under the resolution shall be used for 1091
police or fire equipment. 1092

(b) A resolution adopted under division (B)(1) of this 1093
section may authorize the use of service payments provided for in 1094
section 5709.79 of the Revised Code for the purpose of housing 1095
renovations within the incentive district, provided that the 1096
resolution also designates public infrastructure improvements that 1097
benefit or serve the district, and that a project within the 1098
district places real property in use for commercial or industrial 1099
purposes. Service payments may be used to finance or support 1100
loans, deferred loans, and grants to persons for the purpose of 1101
housing renovations within the district. The resolution shall 1102

designate the parcels within the district that are eligible for 1103
housing renovations. The resolution shall state separately the 1104
amount or the percentages of the expected aggregate service 1105
payments that are designated for each public infrastructure 1106
improvement and for the purpose of housing renovations. 1107

(4) Except with the approval of the board of education of 1108
each city, local, or exempted village school district within the 1109
territory of which the incentive district is or will be located, 1110
and subject to division (D) of this section, the life of an 1111
incentive district shall not exceed ten years, and the percentage 1112
of improvements to be exempted shall not exceed seventy-five per 1113
cent. With approval of the board of education, the life of a 1114
district may be not more than thirty years, and the percentage of 1115
improvements to be exempted may be not more than one hundred per 1116
cent. The approval of a board of education shall be obtained in 1117
the manner provided in division (C) of this section. 1118

(C)(1) Improvements with respect to a parcel may be exempted 1119
from taxation under division (A) of this section, and improvements 1120
to parcels within an incentive district may be exempted from 1121
taxation under division (B) of this section, for up to ten years 1122
or, with the approval of the board of education of each city, 1123
local, or exempted village school district within which the parcel 1124
or district is located, for up to thirty years. The percentage of 1125
the improvements exempted from taxation may, with such approval, 1126
exceed seventy-five per cent, but shall not exceed one hundred per 1127
cent. Not later than forty-five business days prior to adopting a 1128
resolution under this section declaring improvements to be a 1129
public purpose that is subject to the approval of a board of 1130
education under this division, the board of county commissioners 1131
shall deliver to the board of education a notice stating its 1132
intent to adopt a resolution making that declaration. The notice 1133
regarding improvements with respect to a parcel under division (A) 1134

of this section shall identify the parcels for which improvements 1135
are to be exempted from taxation, provide an estimate of the true 1136
value in money of the improvements, specify the period for which 1137
the improvements would be exempted from taxation and the 1138
percentage of the improvements that would be exempted, and 1139
indicate the date on which the board of county commissioners 1140
intends to adopt the resolution. The notice regarding improvements 1141
to parcels within an incentive district under division (B) of this 1142
section shall delineate the boundaries of the district, 1143
specifically identify each parcel within the district, identify 1144
each anticipated improvement in the district, provide an estimate 1145
of the true value in money of each such improvement, specify the 1146
life of the district and the percentage of improvements that would 1147
be exempted, and indicate the date on which the board of county 1148
commissioners intends to adopt the resolution. The board of 1149
education, by resolution adopted by a majority of the board, may 1150
approve the exemption for the period or for the exemption 1151
percentage specified in the notice; may disapprove the exemption 1152
for the number of years in excess of ten, may disapprove the 1153
exemption for the percentage of the improvements to be exempted in 1154
excess of seventy-five per cent, or both; or may approve the 1155
exemption on the condition that the board of county commissioners 1156
and the board of education negotiate an agreement providing for 1157
compensation to the school district equal in value to a percentage 1158
of the amount of taxes exempted in the eleventh and subsequent 1159
years of the exemption period or, in the case of exemption 1160
percentages in excess of seventy-five per cent, compensation equal 1161
in value to a percentage of the taxes that would be payable on the 1162
portion of the improvements in excess of seventy-five per cent 1163
were that portion to be subject to taxation, or other mutually 1164
agreeable compensation. 1165

(2) The board of education shall certify its resolution to 1166
the board of county commissioners not later than fourteen days 1167

prior to the date the board of county commissioners intends to 1168
adopt its resolution as indicated in the notice. If the board of 1169
education and the board of county commissioners negotiate a 1170
mutually acceptable compensation agreement, the resolution of the 1171
board of county commissioners may declare the improvements a 1172
public purpose for the number of years specified in that 1173
resolution or, in the case of exemption percentages in excess of 1174
seventy-five per cent, for the exemption percentage specified in 1175
the resolution. In either case, if the board of education and the 1176
board of county commissioners fail to negotiate a mutually 1177
acceptable compensation agreement, the resolution may declare the 1178
improvements a public purpose for not more than ten years, and 1179
shall not exempt more than seventy-five per cent of the 1180
improvements from taxation. If the board of education fails to 1181
certify a resolution to the board of county commissioners within 1182
the time prescribed by this section, the board of county 1183
commissioners thereupon may adopt the resolution and may declare 1184
the improvements a public purpose for up to thirty years or, in 1185
the case of exemption percentages proposed in excess of 1186
seventy-five per cent, for the exemption percentage specified in 1187
the resolution. The board of county commissioners may adopt the 1188
resolution at any time after the board of education certifies its 1189
resolution approving the exemption to the board of county 1190
commissioners, or, if the board of education approves the 1191
exemption on the condition that a mutually acceptable compensation 1192
agreement be negotiated, at any time after the compensation 1193
agreement is agreed to by the board of education and the board of 1194
county commissioners. If a mutually acceptable compensation 1195
agreement is negotiated between the board of county commissioners 1196
and the board of education, including agreements for payments in 1197
lieu of taxes under section 5709.79 of the Revised Code, the board 1198
of county commissioners shall compensate the joint vocational 1199
school district within which the parcel or district is located at 1200

the same rate and under the same terms received by the city, 1201
local, or exempted village school district. 1202

(3) If a board of education has adopted a resolution waiving 1203
its right to approve exemptions from taxation under this section 1204
and the resolution remains in effect, approval of such exemptions 1205
by the board of education is not required under division (C) of 1206
this section. If a board of education has adopted a resolution 1207
allowing a board of county commissioners to deliver the notice 1208
required under division (C) of this section fewer than forty-five 1209
business days prior to approval of the resolution by the board of 1210
county commissioners, the board of county commissioners shall 1211
deliver the notice to the board of education not later than the 1212
number of days prior to such approval as prescribed by the board 1213
of education in its resolution. If a board of education adopts a 1214
resolution waiving its right to approve exemptions or shortening 1215
the notification period, the board of education shall certify a 1216
copy of the resolution to the board of county commissioners. If 1217
the board of education rescinds such a resolution, it shall 1218
certify notice of the rescission to the board of county 1219
commissioners. 1220

(D)(1) If a proposed resolution under division (B)(1) of this 1221
section exempts improvements with respect to a parcel within an 1222
incentive district for more than ten years, or the percentage of 1223
the improvement exempted from taxation exceeds seventy-five per 1224
cent, not later than forty-five business days prior to adopting 1225
the resolution the board of county commissioners shall deliver to 1226
the board of township trustees of any township within which the 1227
incentive district is or will be located a notice that states its 1228
intent to adopt a resolution creating an incentive district. The 1229
notice shall include a copy of the proposed resolution, identify 1230
the parcels for which improvements are to be exempted from 1231
taxation, provide an estimate of the true value in money of the 1232

improvements, specify the period of time for which the 1233
improvements would be exempted from taxation, specify the 1234
percentage of the improvements that would be exempted from 1235
taxation, and indicate the date on which the board intends to 1236
adopt the resolution. 1237

(2) The board of township trustees, by resolution adopted by 1238
a majority of the board, may object to the exemption for the 1239
number of years in excess of ten, may object to the exemption for 1240
the percentage of the improvement to be exempted in excess of 1241
seventy-five per cent, or both. If the board of township trustees 1242
objects, the board of township trustees may negotiate a mutually 1243
acceptable compensation agreement with the board of county 1244
commissioners. In no case shall the compensation provided to the 1245
board of township trustees exceed the property taxes forgone due 1246
to the exemption. If the board of township trustees objects, and 1247
the board of township trustees and the board of county 1248
commissioners fail to negotiate a mutually acceptable compensation 1249
agreement, the resolution adopted under division (B)(1) of this 1250
section shall provide to the board of township trustees 1251
compensation in the eleventh and subsequent years of the exemption 1252
period equal in value to not more than fifty per cent of the taxes 1253
that would be payable to the township or, if the board of township 1254
trustee's objection includes an objection to an exemption 1255
percentage in excess of seventy-five per cent, compensation equal 1256
in value to not more than fifty per cent of the taxes that would 1257
be payable to the township on the portion of the improvement in 1258
excess of seventy-five per cent, were that portion to be subject 1259
to taxation. The board of township trustees shall certify its 1260
resolution to the board of county commissioners not later than 1261
thirty days after receipt of the notice. 1262

(3) If the board of township trustees does not object or 1263
fails to certify a resolution objecting to an exemption within 1264

thirty days after receipt of the notice, the board of county commissioners may adopt its resolution, and no compensation shall be provided to the board of township trustees. If the board of township trustees certifies its resolution objecting to the commissioners' resolution, the board of county commissioners may adopt its resolution at any time after a mutually acceptable compensation agreement is agreed to by the board of county commissioners and the board of township trustees. If the board of township trustees certifies a resolution objecting to the commissioners' resolution, the board of county commissioners may adopt its resolution at any time after a mutually acceptable compensation agreement is agreed to by the board of county commissioners and the board of township trustees, or, if no compensation agreement is negotiated, at any time after the board of county commissioners in the proposed resolution to provide compensation to the board of township trustees of fifty per cent of the taxes that would be payable to the township in the eleventh and subsequent years of the exemption period or on the portion of the improvement in excess of seventy-five per cent, were that portion to be subject to taxation.

(E) Service payments in lieu of taxes that are attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters for any of the following purposes on or after January 1, 2006, and which are provided pursuant to a resolution creating an incentive district under division (B)(1) of this section that is adopted on or after January 1, 2006, shall be distributed to the appropriate taxing authority as required under division (D) of section 5709.79 of the Revised Code in an amount equal to the amount of taxes from that additional levy or from the increase in the effective tax rate of such renewal or replacement levy that would have been

payable to that taxing authority from the following levies were it	1298
not for the exemption authorized under division (B) of this	1299
section:	1300
(1) A tax levied under division (L) of section 5705.19 or	1301
section 5705.191 of the Revised Code for community mental	1302
retardation and developmental disabilities programs and services	1303
pursuant to Chapter 5126. of the Revised Code;	1304
(2) A tax levied under division (Y) of section 5705.19 of the	1305
Revised Code for providing or maintaining senior citizens services	1306
or facilities;	1307
(3) A tax levied under section 5705.22 of the Revised Code	1308
for county hospitals;	1309
(4) A tax levied by a joint-county district or by a county	1310
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	1311
for alcohol, drug addiction, and mental health services or	1312
facilities;	1313
(5) A tax levied under section 5705.23 of the Revised Code	1314
for library purposes;	1315
(6) A tax levied under section 5705.24 of the Revised Code	1316
for the support of children services and the placement and care of	1317
children;	1318
(7) A tax levied under division (Z) of section 5705.19 of the	1319
Revised Code for the provision and maintenance of zoological park	1320
services and facilities under section 307.76 of the Revised Code;	1321
(8) A tax levied under section 511.27 or division (H) of	1322
section 5705.19 of the Revised Code for the support of township	1323
park districts;	1324
(9) A tax levied under division (A), (F), or (H) of section	1325
5705.19 of the Revised Code for parks and recreational purposes of	1326
a joint recreation district organized pursuant to division (B) of	1327

section 755.14 of the Revised Code; 1328

(10) A tax levied under section 1545.20 or 1545.21 of the 1329
Revised Code for park district purposes; 1330

(11) A tax levied under section 5705.191 of the Revised Code 1331
for the purpose of making appropriations for public assistance; 1332
human or social services; public relief; public welfare; public 1333
health and hospitalization; and support of general hospitals; 1334

(12) A tax levied under section 3709.29 of the Revised Code 1335
for a general health district program. 1336

(F) An exemption from taxation granted under this section 1337
commences with the tax year specified in the resolution so long as 1338
the year specified in the resolution commences after the effective 1339
date of the resolution. If the resolution specifies a year 1340
commencing before the effective date of the resolution or 1341
specifies no year whatsoever, the exemption commences with the tax 1342
year in which an exempted improvement first appears on the tax 1343
list and duplicate of real and public utility property and that 1344
commences after the effective date of the resolution. Except as 1345
otherwise provided in this division, the exemption ends on the 1346
date specified in the resolution as the date the improvement 1347
ceases to be a public purpose or the incentive district expires, 1348
or ends on the date on which the county can no longer require 1349
annual service payments in lieu of taxes under section 5709.79 of 1350
the Revised Code, whichever occurs first. The exemption of an 1351
improvement with respect to a parcel or within an incentive 1352
district may end on a later date, as specified in the resolution, 1353
if the board of commissioners and the board of education of the 1354
city, local, or exempted village school district within which the 1355
parcel or district is located have entered into a compensation 1356
agreement under section 5709.82 of the Revised Code with respect 1357
to the improvement, and the board of education has approved the 1358
term of the exemption under division (C)(1) of this section, but 1359

in no case shall the improvement be exempted from taxation for 1360
more than thirty years. Exemptions shall be claimed and allowed in 1361
the same or a similar manner as in the case of other real property 1362
exemptions. If an exemption status changes during a tax year, the 1363
procedure for the apportionment of the taxes for that year is the 1364
same as in the case of other changes in tax exemption status 1365
during the year. 1366

(G) If the board of county commissioners is not required by 1367
this section to notify the board of education of the board of 1368
county commissioners' intent to declare improvements to be a 1369
public purpose, the board of county commissioners shall comply 1370
with the notice requirements imposed under section 5709.83 of the 1371
Revised Code before taking formal action to adopt the resolution 1372
making that declaration, unless the board of education has adopted 1373
a resolution under that section waiving its right to receive such 1374
a notice. 1375

(H) The county, not later than fifteen days after the 1376
adoption of a resolution under this section, shall submit to the 1377
director of development services a copy of the resolution. On or 1378
before the thirty-first day of March of each year, the county 1379
shall submit a status report to the director of development 1380
services. The report shall indicate, in the manner prescribed by 1381
the director, the progress of the project during each year that an 1382
exemption remains in effect, including a summary of the receipts 1383
from service payments in lieu of taxes; expenditures of money from 1384
the fund created under section 5709.80 of the Revised Code; a 1385
description of the public infrastructure improvements and housing 1386
renovations financed with such expenditures; and a quantitative 1387
summary of changes in employment and private investment resulting 1388
from each project. 1389

(I) Nothing in this section shall be construed to prohibit a 1390
board of county commissioners from declaring to be a public 1391

purpose improvements with respect to more than one parcel. 1392

(J) If a parcel is located in a new community district in 1393
which the new community authority imposes a community development 1394
charge on the basis of rentals received from leases of real 1395
property as described in division (L)(2) of section 349.01 of the 1396
Revised Code, the parcel may not be exempted from taxation under 1397
this section. 1398

Sec. 5709.911. (A)(1) A municipal corporation, township, or 1399
county that has enacted an ordinance or resolution under section 1400
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code or that 1401
has entered into an agreement referred to in section 725.02 or 1402
1728.07 of the Revised Code may file an application for exemption 1403
under those sections in the same manner as other real property tax 1404
exemptions, notwithstanding the indication in division (A) of 1405
section 5715.27 of the Revised Code that the owner of the property 1406
may file the application. An application for exemption may not be 1407
filed by a municipal corporation, township, or county for an 1408
exemption of a parcel under section 5709.40, 5709.73, or 5709.78 1409
of the Revised Code if the property owner excludes the property 1410
from such exemption as provided in that section. 1411

(2) Except as provided in division (B) of this section, if 1412
the application for exemption under section 725.02, 1728.10, 1413
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed 1414
by a municipal corporation, township, or county and more than one 1415
real property tax exemption applies by law to the property or a 1416
portion of the property, both of the following apply: 1417

(a) An exemption granted under section 725.02, 1728.10, 1418
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall be 1419
subordinate to an exemption with respect to the property or 1420
portion of the property granted under any other provision of the 1421
Revised Code. 1422

(b) Neither service payments in lieu of taxes under section 1423
725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code, nor 1424
service charges in lieu of taxes under section 1728.11 or 1728.111 1425
of the Revised Code, shall be required with respect to the 1426
property or portion of the property that is exempt from real 1427
property taxes under that other provision of the Revised Code 1428
during the effective period of the exemption. 1429

(B)(1) If the application for exemption under section 725.02, 1430
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1431
is filed by the owner of the property or by a municipal 1432
corporation, township, or county with the owner's written consent 1433
attached to the application, and if more than one real property 1434
tax exemption applies by law to the property or a portion of the 1435
property, no other exemption shall be granted for the portion of 1436
the property already exempt under section 725.02, 1728.10, 1437
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless 1438
the municipal corporation, township, or county that enacted the 1439
authorizing ordinance or resolution for the earlier exemption 1440
provides its duly authorized written consent to the subsequent 1441
exemption by means of a duly enacted ordinance or resolution. 1442

(2) If the application for exemption under section 725.02, 1443
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1444
is filed by a municipal corporation, township, or county and 1445
approved by the tax commissioner, if the owner of the property 1446
subsequently provides written consent to the exemption and the 1447
consent is filed with the tax commissioner, and if more than one 1448
real property tax exemption applies by law to the property or a 1449
portion of the property, no other exemption shall be granted for 1450
the portion of the property already exempt under section 725.02, 1451
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1452
unless the municipal corporation, township, or county that enacted 1453
the authorizing ordinance or resolution for the earlier exemption 1454

provides its duly authorized written consent to the subsequent 1455
exemption by means of a duly enacted ordinance or resolution. 1456

(C)(1) After the tax commissioner has approved or partially 1457
approved an application for exemption filed by or with the consent 1458
of a property owner under the circumstances described in division 1459
(B)(1) of this section, the municipal corporation, township, 1460
county, or property owner shall file a notice with the county 1461
recorder for the county in which the property is located that 1462
clearly identifies the property and the owner of the property and 1463
states that the property, regardless of future use or ownership, 1464
remains liable for any service payments or service charges 1465
required by the exemption until the terms of the exemption have 1466
been satisfied, unless the municipal corporation, township, or 1467
county consents to the subsequent exemption and relinquishes its 1468
right to collect the service payments or service charges as 1469
provided in division (B)(1) of this section. The county recorder's 1470
office shall charge a fee of fourteen dollars to record the 1471
notice, the proceeds of which shall be retained by the county. 1472

(2) If a property owner subsequently provides written consent 1473
to an exemption under the circumstances described in division 1474
(B)(2) of this section, the municipal corporation, township, 1475
county, or property owner shall file notice with the county 1476
recorder for the county in which the property is located that 1477
clearly identifies the property and the owner of the property and 1478
states that the property, regardless of future use or ownership, 1479
remains liable for any service payments or service charges 1480
required by the exemption until the terms of the exemption have 1481
been satisfied, unless the municipal corporation, township, or 1482
county consents to the subsequent exemption and relinquishes its 1483
right to collect the service payments or service charges as 1484
provided in division (B)(2) of this section. The county recorder's 1485
office shall charge a fee of fourteen dollars to record the 1486

notice, the proceeds of which shall be retained by the county. 1487

(D) Upon filing of the notice with the county recorder, the 1488
provisions of division (B) of this section are binding on all 1489
future owners of the property or portion of the property, 1490
regardless of how the property is used. Failure to file the notice 1491
with the county recorder relieves future owners of the property 1492
from the obligation to make service payments in lieu of taxes 1493
under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised 1494
Code or service charges in lieu of taxes under section 1728.11 or 1495
1728.111 of the Revised Code, if the property or a portion of the 1496
property later qualifies for exemption under any other provision 1497
of the Revised Code. Failure to file the notice does not, however, 1498
relieve the owner of the property, at the time the application for 1499
exemption is filed, from making those payments or charges. 1500

Section 2. That existing sections 5709.40, 5709.73, 5709.78, 1501
and 5709.911 of the Revised Code are hereby repealed. 1502

Section 3. Sections 5709.40 and 5709.73 of the Revised Code 1503
are presented in this act as composites of the sections as amended 1504
by both Am. Sub. H.B. 508 and Am. Sub. H.B. 509 of the 129th 1505
General Assembly. The General Assembly, applying the principle 1506
stated in division (B) of section 1.52 of the Revised Code that 1507
amendments are to be harmonized if reasonably capable of 1508
simultaneous operation, finds that the composites are the 1509
resulting versions of those sections in effect prior to the 1510
effective date of the sections as presented in this act. 1511